RUDARPA, INC.

Construction-to-term loan to support a portfolio of LFG-to-RNG projects in New York State

NY Green Bank’s upsized facility will support the first landfill gas (LFG) to renewable natural gas (RNG) facility in Rudarpa’s portfolio of projects. This facility will support cleaner energy generation by adding RNG to and displacing fossil-based natural gas from the grid.

History
On February 4, 2021, NY Green Bank closed a $29.5 million multi-draw, construction-to-term loan to finance the construction of a LFG-to-RNG project. On August 26, 2022, NY Green Bank upsized the Facility by $3.5 million to a new total commitment amount of $33.0 million. The most recent upsize on June 23, 2023 brings NY Green Bank’s total commitment to the project to $38.0 million.

Market Barriers and Solutions
For LFG-to-RNG Developers, post-financing construction can be an inefficient use of sponsor equity that limits new project deployment efforts in New York State. This transaction encourages an efficient use of construction-to-term financing to support project deployment.

Landfill Owners may lack the capital or expertise to operate an RNG facility. This transaction provides capital to RNG developers and operators to enable landfills to use LFG more efficiently and comply with environmental regulations while maximizing the reduction of GHG emissions.

“Rudarpa Inc. is appreciative of NY Green Bank for their leadership and foresight to invest in environmental improvement projects and their continuous support through the financing and construction stages to bring these projects to fruition. We look forward to continuing our relationship to make significant environmental benefits in New York State.”

Joe Darling, Chief Operating Officer, Darling Transportation Energy Solutions (Co-owner company of Rudarpa, Inc.)
Catalyzing the Development of Renewable Natural Gas Projects in New York

RUDARPA INC.

In February 2021, NY Green Bank ("NYGB") entered into an agreement with Rudarpa North Country, LLC ("RNC"), an indirect subsidiary wholly owned by Rudarpa, Inc. ("Rudarpa"), to provide a $29.5 million construction-to-term loan ("Investment") for the first Landfill Gas ("LFG") to Renewable Natural Gas ("RNG") project in Rudarpa’s to-be-built portfolio of LFG-to-RNG projects. In September 2022, NYGB increased its investment by $3.5 million. On June 23, 2023, NYGB closed a $5.0 million upsize to an existing construction-to-term facility to Rudarpa Inc., bringing NYGB’s cumulative commitment to the sponsor to $38.0 million. NYGB’s participation in this transaction will enable RUDARPA to continue to scale its growing portfolio of landfill gas to renewable natural gas projects in New York State.

Transaction Description

On February 4, 2021, NY Green Bank closed a $29.5 million multi-draw, construction-to-term loan to finance the construction of an LFG-to-RNG project. On August 26, 2022, NY Green Bank upsized the Facility by $3.5 million to a new total commitment amount of $33.0 million. The most recent upsize on June 23, 2023 brings NY Green Bank’s total commitment to the project to $38.0 million.

NY Green Bank’s up sized facility will support the first LFG-to-RNG facility in Rudarpa’s portfolio of projects. This facility will support cleaner energy generation by adding RNG to and displacing fossil-based natural gas from the grid.

This Transaction Profile is provided pursuant to the updated NY Green Bank – Metrics, Reporting & Evaluation Plan, Version 3.1 (the "Metrics Plan") developed in collaboration with the NYS Department of Public Service and filed with the NYS Public Service Commission (the “Commission”) on May 2, 2022.¹ This Transaction Profile contains specific information in connection with the Rudarpa Inc. transaction entered into in June 2023, as required by the Metrics Plan.²

Form of NYGB Investment

<table>
<thead>
<tr>
<th>NYGB Product</th>
<th>Product Sub-Type</th>
<th>Committed Capital</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asset Loan &amp; Investment</td>
<td>Construction-to-Term Loan</td>
<td>$5.0 million ($38.0 million aggregate)</td>
</tr>
</tbody>
</table>

Location(s) of Underlying Project(s)

Upstate.

¹ Case 13-M-0412.
² See Section 4.0 at page 8-9 and Schedule 3.
Types of Organizations that are Transaction Participants

<table>
<thead>
<tr>
<th>Name</th>
<th>Participant Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Counterparty</td>
<td></td>
</tr>
<tr>
<td>Rudarpa, Inc.</td>
<td>Project Sponsor</td>
</tr>
<tr>
<td>Rudarpa North Country, LLC</td>
<td>Project Borrower</td>
</tr>
</tbody>
</table>

Summary of Financing Market Objectives & Barriers Addressed

<table>
<thead>
<tr>
<th>Beneficiary</th>
<th>Market Barrier</th>
<th>Financing Solution</th>
</tr>
</thead>
<tbody>
<tr>
<td>LFG-to-RNG Developers</td>
<td>For LFG-to-RNG Developers, post-financing construction can be an inefficient use</td>
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</tr>
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<td></td>
<td>of sponsor equity that limits new project deployment efforts in New York State.</td>
<td></td>
</tr>
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</tr>
</tbody>
</table>

Technologies Involved

<table>
<thead>
<tr>
<th>Technology</th>
<th>Measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bioenergy</td>
<td>LFG-to-RNG Technology</td>
</tr>
</tbody>
</table>

Metrics & Evaluation Plan

Planned Energy & Environmental Metrics

NYGB’s minimum investment criteria require that “transactions will have the potential for energy savings and/or clean energy generation that will contribute to greenhouse gas ("GHG") emission reductions in support of New York’s energy policies”.³ In addition, the Metrics Plan requires that the following energy and environmental measures applicable to this transaction be reported:⁴

- Estimated lifetime and annual total energy savings (MMBtu)
- Estimated lifetime and annual natural gas fuel savings (MMBtu equivalent)

The estimated gross lifetime and annual energy and environmental impacts of the investment are as follows:

<table>
<thead>
<tr>
<th>Energy/Environmental Impact</th>
<th>Lifetime Low Estimate</th>
<th>Lifetime High Estimate</th>
<th>Annual Low Estimate</th>
<th>Annual High Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated total energy savings (MMBtu equivalent)</td>
<td>9,510,900</td>
<td>17,088,343</td>
<td>634,060</td>
<td>1,139,223</td>
</tr>
<tr>
<td>Estimated natural gas fuel savings (MMBtu)</td>
<td>Same as above</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GHG emission reductions (metric tons)</td>
<td>494,565</td>
<td>888,591</td>
<td>32,971</td>
<td>59,239</td>
</tr>
</tbody>
</table>

⁴ See Metrics Plan, Section 2.0 at pages 2 - 6.
Planned Market Characterization Baseline & Market Transformation Potential

The Metrics Plan requires that market evaluation occurs when a critical mass of NYGB financing and investment arrangements are in place. Market evaluation activities commenced in 2018 on sectors that NYGB has supported since inception, consistent with the requirement for such assessments approximately three to five years following initial NYGB capital deployments. NYSERDA collected baseline data for the NYGB portfolio in 2019 and will update the data to include indicators specific to this transaction. NYSERDA will use baseline data collected for indicators as a comparison point against which to assess market progress in later studies. Progress indicators are defined below for the short, medium and long terms.

NYGB expects that program and/or future market evaluation will demonstrate progress across short-term indicators, including:

- Size and location of projects financed by the investment;
- Aggregate expected energy savings for projects financed by the investment.

NYGB expects that program tracking and/or future market evaluation will demonstrate progress across medium- and long-term indicators, including:

- Increased general understanding of environmental benefits of LFG-to-RNG projects by financial community;
- Increased awareness and use of loan performance data by financing entities;
- Increased awareness and use of project/technology performance data by financing entities;
- Decreased costs of future LFG-to-RNG projects; and
- Presence and number of new lending participants.

Proposed Method of Outcome/Impact Evaluation (by NYSERDA) & Timeframe

NYSERDA will evaluate the impact this transaction has had on the clean energy finance markets and the energy/environmental benefits it delivers.

Market evaluation will assess the short, medium and long-term indicators identified above. Methods will include analysis of program data along with interviews and surveys of market participants (e.g., financial community) to track information including but not limited to: project scale information and influence of NYGB’s participation on financial markets. As noted, NYSERDA collected baseline data on key indicators in its first phase evaluation during 2018 – 19. Later follow-up studies will assess progress against baseline levels for other market segments as those evolve. The specific timing of these efforts may be revised based on experience or other factors as NYGB’s investment portfolio further develops and evolves.

Impact evaluation will assess which of the projects funded under the investment raised construction financing and were completed, commissioned, and placed in service.

In accordance with the Metrics Plan, NYGB will track Rudarpa projects that receive incentives or funding from other entities (e.g., utility, other NYSERDA programs) to minimize any double-counting activity on a consolidated basis. As set out in the Metrics Plan, evaluation sampling approaches will also be used as a mechanism to estimate overlap and minimize double counting. NYSERDA and NYGB will attempt to coordinate market and impact evaluation activities for projects that receive support from multiple sources in order to maximize the efficiency of data collection and avoid participant survey fatigue.

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5 See Metrics Plan, Section 3.3 at page 7 - 8.